

ARGENTINA

DETAILS OF SALTO GRANDE DAM PROJECT GIVEN

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Twenty-five years have passed since that 30 December 1946 when Argentina and Uruguay signed an agreement creating the Salto Grande Joint Technical Committee -- CTM -- which comprised representatives of both countries. The task of the committee was to decide on the location of the hydroelectric complex. At that time, the SADALEC [expansion unknown] consortium was contracted to draw up the technical plans and developed a technical and financial analysis relative to utilization of the Uruguay River in the Salto Grande area. These plans were completed in 1962 with positive results.

History

In 1969 the committee contracted with a new consortium of companies: Acres Internacional; Hidrosud Argentina; Hidrosud, Inc; and Project Analysis and Investment Planning, Inc (Analisis de Proyectos y Programacion de Inversiones SA) to review and bring up to date the above-mentioned plans. This consortium developed the final technical, economic, and financial report and the plans for utilization of the river in the Salto Grande area.

Subsequently, the consulting company delivered the report to the Joint Technical Committee, which transmitted it to the governments of Uruguay and Argentina. The Uruguayan Government approved the plans in December 1971, and according to extraofficial sources, the previous week (before President Lanusse left on his visit to Colombia) the Argentine president had affixed his signature, so that the committee could begin its work on the project.

Bids

Opening of the sealed bids received last December for the construction of a residential center on the Argentine side of the river is scheduled for 15 March next. This center is to be used to house the executive personnel in charge of the project. The building -- a hotel -- will consist of 40 rooms each with private bath; a dining room; and an auditorium.

The plans provide for the eventual use of the building as a tourist hotel, in view of the possibilities for utilization of the area. Construction of the hotel will require approximately 11 months, at which time the technical staff in charge of the work on the hydroelectrical complex will be housed in the hotel. At the same time, bids will be invited for construction of a similar development on the opposite bank of the river.

During the same week, sealed bids will be opened for the preliminary qualification of consultants and construction companies. This preliminary qualification process is designed to establish which companies are in a position to submit bids for the final contracts. As of 8 February, a total of 50 applications for bids had been distributed in each of the various categories, a fact that demonstrates the interest that has been generated in the project.

Also in December, a cooperation agreement was concluded with Entre Rios Province for a study looking toward construction of the new city of Federacion. As is known, the present city will virtually be covered by the waters of the large lake that will be formed by construction of the dam. The population to be injured by the situation will be compensated by construction of a new city possessing a modern infrastructure. An agreement was also concluded with the Autonomous Institute for Housing Planning of Entre Rios. The objective is to construct housing in the city of Concordia, which housing will be used by the personnel who will take part in the construction of the dam.

Financing

The total cost of the Salto Grande project is budgeted at 500 million dollars, to be defrayed as follows: The local contribution will come from the National Fund for Major Electric Power Projects, which was created late in 1971. Seventy million will be provided in the form of credit extended by suppliers. For its part, the Inter-American Development Bank will contribute all of the remaining 160 million dollars in the form of unsecured loans. It is hoped that approval of the project by the concerned governments will speed negotiations to their final conclusion.

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